

March 12, 2025  
Re: Support For HB 2735 -1



Chair Marsh, Vice-Chairs Anderson and Breese-Iverson,  
and Members of the Committee:

I am writing on behalf of NeighborImpact to urge you to support HB 2735, with the -1 amendment. Please “Fix the Funding” for IDAs!

In 1999 the Legislature created Individual Development Accounts (IDAs). This matched-savings program provides participants with education and individualized support to reach their financial goals, including homeownership, home repair, higher education, purchasing a vehicle, starting a business, and retirement. The state matches participants’ own savings up to 5-to-1 to make their dreams a reality. Over 19,000 Oregonians have participated in this life-changing program over the past 25 years.

However, the state tax credit that funds IDAs has not kept pace with inflation. While the credit has been capped at \$7.5M per year since 2009, the cost of everything that IDA participants save for has increased precipitously. Each saver needs more funds from the program in order to be successful, yet the total funding has remained stagnant. If the Legislature does not act this year, the program will shrink by 50% and will only enroll fewer than 500 people each year going forward.

NeighborImpact has operated this program for many years and currently we have 1,154 Central Oregonian in the interest list for this program. Our agency usually receives funding for about 40 to 60 people to participate each year. As you can see, just in this part of the state alone the demand extremely surpasses the availability of resource. The IDA program combines educations, skills building, habit changing with assets to promote wellbeing and prosperity. We need proven successful programs to expand and be able to be a positive influence in more Oregonians, not less.

By passing HB 2735 -1, the Legislature can “Fix the Funding” and return the IDA program to solid financial footing. I urge you to pass this bill.

Sincerely,

*Sonia Capece*

HomeSource Director

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